GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:4289
ANSWERED ON:19.04.2002
EXPORT OF SYNTHETIC TEXTILES AND RAYON
MOHAN RAWALE

Will the Minister of TEXTILES be pleased to state:

(a) whether the exports of Indian synthetic textiles and rayon have declined by about 5% during the period April 1 to September 30, of this fiscal year;

(b) if so, the reasons therefor;

(c) whether the industry claims that the `Stoppage of brand rate duty drawback` has contributed to the decline in synthetic textiles exports;

(d) if so, the role of this duty drawback in enhancing our synthetic textile exports; and

(e) the steps taken/being taken by Government to tackle the situation?

Answer

MINISTER OF STATE FOR TEXTILES (SHRI V. DHANANJAYA KUMAR)

(a) Yes, Sir.

(b) It was mainly due to general slowdown in the economics of some of India`s major trading partners like the US and increased competition from countries like Indonesia, Taiwan, Korea, etc.

(c) to (e) The duty drawback is a facility available to all exports including synthetic textile exports to offset the incidence of duty suffered on the inputs of export products. The exporters generally take into account the drawback rates/concessions while pricing their goods for export market. As per current scheme, the duty refund can be claimed by exporters either through All Industry Rates of Drawback or through Brand Rate mechanism.